

## Message Text

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PAGE 01 STATE 112122  
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R 162134Z MAY 77  
FM SECSTATE WASHDC  
TO AMEMBASSY LISBON  
AMEMBASSY MADRID  
INFO AMEMBASSY BELGRADE

C O N F I D E N T I A L STATE 112122

EXDIS VICE PRESIDENT'S PARTY FOR VEST

E.O. 11652: GDS

TAGS: TECH, ENRG, YO

SUBJECT: KRSKO: LETTER TO SECRETARY FROM YUGOSLAV  
FOREIGN MINISTER

1. FOLLOWING IS TEXT OF LETTER TO SECRETARY DATED MAY 12  
FROM YUGOSLAV FEDERAL SECRETARY FOR FOREIGN AFFAIRS (AND  
VICE PRESIDENT OF THE FEDERAL EXECUTIVE COUNCIL) MILOS  
MINIC, WHICH RESPONDS TO SECRETARY'S LETTER TO HIM OF  
MAY 4.

BEGIN TEXT.

DEAR MR. SECRETARY,

I HAVE CONSIDERED WITH ATTENTION YOUR LETTER AND THE  
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ATTACHED MEMORANDUM RELATING TO THE POLICY OF THE GOVERN-  
MENT OF THE UNITED STATES IN THE FIELD OF NON-PROLIFERATION  
OF NUCLEAR WEAPONS, AND THE SUGGESTIONS CONCERNING THE  
KRSKO NUCLEAR POWER PLANT.

WE HAVE BEEN FOLLOWING WITH KEEN INTEREST THE EFFORTS OF  
THE GOVERNMENT OF THE UNITED STATES AND PRESIDENT CARTER

PERSONALLY, AIMED AT PREVENTING THE PROLIFERATION OF NUCLEAR WEAPONS AND HALTING THE NUCLEAR ARMS RACE. YUGOSLAVIA ATTACHES EXCEPTIONAL IMPORTANCE TO ALL THE ASPECTS OF

NUCLEAR PROBLEMS. IT HAS EXERTED ACTIVE EFFORTS NOT ONLY FOR THE PREVENTION OF PROLIFERATION, BUT ALSO FOR A TOTAL PROHIBITION OF NUCLEAR WEAPONS. REGRETTABLY, WE CANNOT BUT OBSERVE THAT THE ACHIEVED RESULTS TOWARD THAT END ARE NOT SATISFACTORY AND THAT THE INTERNATIONAL COMMUNITY, AND PRIMARILY THE NUCLEAR-WEAPONS STATES, MUST EXERT ADDITIONAL SUBSTANTIAL EFFORTS IN ORDER TO COMMENCE REAL NUCLEAR DISARMAMENT.

YUGOSLAVIA IS ALSO CONCERNED ABOUT THE FACT THAT THERE HAVE EMERGED SERIOUS DIFFICULTIES AND A LAGGING BEHIND IN THE TRANSFER OF NUCLEAR TECHNIQUES AND TECHNOLOGY TO NON-NUCLEAR COUNTRIES WITH THE AIM OF THEIR USE FOR PEACEFUL PURPOSES.

AS IT IS KNOWN, YUGOSLAVIA HAS BEEN ACTIVELY PARTICIPATING IN ALL ACTIVITIES OF THE UNITED NATIONS, THE INTERNATIONAL ATOMIC ENERGY AGENCY AND OF OTHER INTERNATIONAL ORGANIZATIONS CONCERNED WITH THE QUESTION OF THE PEACEFUL USES OF NUCLEAR ENERGY AND, ESPECIALLY WITH THE TRANSFER OF NUCLEAR TECHNOLOGY UNDER INTERNATIONAL SAFEGUARDS.

IT IS KNOWN THAT YUGOSLAVIA HAS ORIENTED ITSELF SERIOUSLY, AS HAVE DONE NUMEROUS OTHER COUNTRIES, TO TAKE ADVANTAGE OF THE BENEFITS OFFERED BY THE CONTEMPORARY NUCLEAR

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SCIENCE, ESPECIALLY IN THE FIELD OF THE APPLICATION OF NUCLEAR ENERGY FOR POWER GENERATING PURPOSES AND, IN GENERAL, FOR A SWIFTER DEVELOPMENT OF PRODUCTION FORCES.

GUIDED BY THESE AIMS WE HAD TAKEN THE DECISION, SOME TIME AGO, TO BUILD THE FIRST NUCLEAR POWER PLANTS IN YUGOSLAVIA AND TO CHOOSE THE UNITED STATES OF AMERICA AS OUR PARTNER, BEARING IN MIND THE HIGH TECHNICAL LEVEL, THE QUALITY AND THE SOLIDITY OF AMERICAN FIRMS. IN KEEPING WITH THE PROVISIONS OF THE EXISTING INTERNATIONAL AGREEMENTS, THE YUGOSLAV ENTERPRISES HAVE CONCLUDED AGREEMENTS WITH USA FIRMS (WESTINGHOUSE AND EXPORT-IMPORT BANK) FOR THE CONSTRUCTION OF THE KRSKO NUCLEAR POWER PLANT. IT IS NOT DIFFICULT TO ESTABLISH THAT THERE DOES NOT EXIST A SINGLE MATERIAL OR FORMAL BREACH OF THESE AGREEMENTS, WHICH COULD BE TAKEN AS A VALID REASON FOR THE NONISSUANCE ON THE PART OF THE GOVERNMENT OF THE UNITED STATES OF THE EXPORT LICENSES FOR EQUIPMENT AND FUEL FOR THE KRSKO NUCLEAR POWER PLANT. HOWEVER, THESE ISSUES HAVE BEEN EXPOUNDED IN

GREAT DETAIL BY THE YUGOSLAV SIDE TO THE AMERICAN SIDE IN THE COURSE OF THE TALKS HELD SO FAR BETWEEN YOUR AND MY ASSOCIATES. WE HAVE ALSO HAD THE OPPORTUNITY TO GET INFORMED IN DETAIL ABOUT THE PRESENT PREOCCUPATIONS OF THE

GOVERNMENT OF THE UNITED STATES REGARDING THE PROBLEMS IMPOSED BY NUCLEAR ENERGY TO THE WORLD TODAY, WHICH HAS MADE IT EASIER FOR US TO GET MUTUALLY BETTER ACQUAINTED WITH THIS MATTER, INCLUDING ALSO THE ISSUES THAT HAVE ARISEN IN CONNECTION WITH THE KRSKO NUCLEAR POWER PLANT. WE HAVE RECEIVED WITH PLEASURE YOUR PROPOSAL CONCERNING THE SENDING OF A USA TEAM TO BELGRADE WITH VIEW TO FINDING A SOLUTION FOR THE KRSKO NUCLEAR POWER PLANT.

I SHOULD LIKE TO POINT OUT THAT IN TRYING TO FIND A MUTUALLY ACCEPTABLE SOLUTION, WE HAVE ACCEPTED YOUR SUGGESTIONS CONCERNING THE REAFFIRMATION OF THE COMMITMENTS UNDERTAKEN  
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PREVIOUSLY BY THE SFR OF YUGOSLAVIA WITH RESPECT TO THE CONSTRUCTION OF THE KRSKO NUCLEAR POWER PLANT. WE SHALL NOTIFY THIS FACT BY A NOTE TO BE SENT BY THE FEDERAL SECRETARIAT FOR FOREIGN AFFAIRS TO THE INTERNATIONAL ATOMIC ENERGY AGENCY.

FURTHERMORE, THE GOVERNMENT OF THE SFR OF YUGOSLAVIA IS READY TO ENTER, IN THE NEAR FUTURE, INTO NEGOTIATIONS WITH THE UNITED STATES AIMED AT ELIMINATING THE DIFFICULTIES AND DIFFERENCES REGARDING THE DISPOSITION OF FUEL IRRADIATED IN REACTOR OF THE KRSKO NUCLEAR POWER PLANT, WITHIN THE FRAMEWORK OF THE EXISTING INTERNATIONAL AGREEMENTS AND FUTURE MULTILATERAL AGREEMENTS WHICH WOULD REGULATE THIS MATTER.

WE EXPECT THAT THE GOVERNMENT OF THE UNITED STATES WILL SWIFTLY AUTHORIZE THE ISSUANCE OF EXPORT LICENSES FOR THE DELIVERY OF THE EQUIPMENT FOR THE KRSKO NUCLEAR POWER PLANT, SO THAT THE PROGRAMME OF CONSTRUCTION OF THIS NUCLEAR POWER PLANT WOULD NOT BE FURTHER AFFECTED ADVERSELY AND UNNECESSARILY.

MY ASSOCIATES HAVE EXCHANGED VIEWS WITH YOUR TEAM ALSO ON OTHER ISSUES CONNECTED WITH THE PEACEFUL USES OF NUCLEAR ENERGY, AND WE CONSIDER IT VERY USEFUL AND DESIRABLE THAT SIMILAR CONTACTS AND EXCHANGES OF VIEWS BE CONTINUED ALSO IN THE FUTURE.

I AVAIL MYSELF OF THIS OPPORTUNITY, MR. SECRETARY OF STATE, TO EXPRESS MY SATISFACTION WITH THE PRESENT RELATIONS EXISTING BETWEEN THE UNITED STATES OF AMERICA AND THE SFR

OF YUGOSLAVIA AND MY CONVICTION THAT ALSO THROUGH THIS  
FIRST STEP TOWARD THE SOLUTION OF THE KRSKO NUCLEAR POWER  
PLANT PROBLEM, AN IMPORTANT CONTRIBUTION WILL BE MADE TO  
CREATING EVEN MORE FAVOURABLE CONDITIONS FOR THE FURTHER  
DEVELOPMENT OF CO-OPERATION BETWEEN OUR TWO COUNTRIES.  
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SINCERELY YOURS, MILOS MINIC. END TEXT.

2. TEXT OF YUGOSLAV STATEMENT TO THE IAEA WILL BE CABLED  
TO VICE PRESIDENT'S PARTY WHEN COPY IS RECEIVED IN DEPART-  
MENT, PROBABLY ON TUESDAY. CHRISTOPHER

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## Message Attributes

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**Copy:** SINGLE  
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**Decaption Date:** 22 May 2009  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
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**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
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